The regular weekly meeting of the Board of Commissioners of Public Utility District No. 1 of Clallam County was held at the Port Angeles Office, 2431 East Highway 101, on the above date commencing at 1:30 p.m.

Commissioners Present: Hugh Haffner, President; Hugh E. Simpson, Jr., Vice President; Will Purser, Secretary (by teleconference)

Staff Present: Doug Nass, General Manager; David Papandrew, District Auditor; Nicole Clark, Executive Assistant; Michael Howe, Communications & Government Relations Manager; Dennis Shaw, General Superintendent; John Purvis, Engineering Manager; Jon Purnell, Utility Systems Land Agent; Steve Schopfer, IT Manager; Gary Moore, Operations Superintendent; Fred Mitchell, Power Supply & Utility Services Manager; Larry Morris, Safety Manager; Mike Hill, Senior Civil Engineer

Others Present: Frank Lawhead; Doug Bertsch; Roger Roen; Bob Klein

On motion of Commissioner Purser, seconded by Commissioner Simpson and carried, the Commission approved the minutes of the March 3, 2014 regular meeting.

On motion of Commissioner Purser, seconded by Commissioner Simpson and carried, the Commission approved the minutes of the March 10, 2014 work session.

There was an agenda revision to move the General Manager report up on the agenda.

Engineering Manager John Purvis introduced Utility Systems Land Agent Jon Purnell, who was awarded the title of Land Surveyor of the Year by the Land Surveyors Association of Washington. This award is given to the surveyor that has contributed the most to the profession over the past five years. This is the most prestigious award a surveyor can receive at the state level.

Upon recommendation of staff and on motion of Commissioner Simpson, seconded by Commissioner Purser and carried, the Commission awarded the bid for a 40 ft. Serviceman Truck to Versalift, NW, LLC, in the amount of $172,397.00 not including WSST. (Bid #140801)

General Manager Doug Nass introduced a team from Lawhead Architects to give an update on the progress of the facilities project. Renderings of the new administrative facility were shown. The design accommodates future expansion and growth. At this stage (30% design completion), the total estimated project cost is $13,119,262. There are contingencies in place for materials and design aspects that haven’t been fully fleshed out yet. There is also an escalation figure built in to account for the fact that commodity and material prices are based on today as a point in time. As the design completion approaches 100%, these figures will reduce to zero. In addition, the construction economy is changing dramatically and is a moving target. Comparatively, the cost per square foot is right in line with other straightforward office buildings. Completion is still anticipated to be August/September of 2015. There is an additional $2.1 million in cost for the engineering addition to the Carlsborg Operations building, for a total of $15.2 million combined for the two projects when the District goes out for bonding. The substation shop project leftover from last year will be combined with the engineering addition to get a better price due to economies of scale. The timeframe is a little bit earlier for completion of the engineering addition and substation shop.

Correspondence and communication items were reviewed. There will be no meetings on March 24 or 31. The next regular business meeting will be April 7.
Two lists of claim vouchers as certified by the General Manager and Deputy District Auditor were considered. On motion of Commissioner Purser, seconded by Commissioner Simpson and carried, the Commission approved payment of claim vouchers in the amount of $166,464.08 for March 10, 2014. On motion of Commissioner Simpson, seconded by Commissioner Purser and carried, the Commission approved payment of claim vouchers in the amount of $534,943.51 for March 17, 2014. There were 41 conservation rebates in the total amount of $10,453.40 for the two week period. The cumulative total for 2014 is $159,645.44.

Commissioner Purser reported on attending a Cambridge Energy Research Associates conference. The overall theme was that conventional natural gas resources are abundant and affordable and that the next decades will be all about natural gas, which could have an impact on the nuclear industry.

Commissioner Haffner reported that he attended a NoaNet meeting and the State Auditor exit conference on the District meeting its renewable mandates. There were no findings and it was a clean audit.

Communications & Government Relations Manager Mike Howe reported on attending the APPA Legislative Rally in Washington DC. He attended seven meetings with legislators and staff.

District Auditor/Acting Treasurer Controller David Papandrew presented the Treasurer’s Report for January 2014. Interest for the month totaled $5,014.12, and cash and investments totaled $32,216,568.85.

The regular meeting recessed at 3:30 p.m. to go into executive session for the performance evaluation of a public employee, pursuant to RCW 42.30.110(1)(g). Those in attendance were Commissioner Simpson, Commissioner Haffner, Commissioner Purser (by teleconference), District Auditor David Papandrew, and General Manager Doug Nass. The executive session adjourned at 4:04 p.m., and the regular meeting reconvened at that time.

There being no further business to come before the Commission, the meeting adjourned at 4:05 p.m. to meet again on Monday, April 7, 2014, at 1:30 p.m. at the Port Angeles Main Office.